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Governor

Howie C. Morales
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NEW MEXICO ENVIRONMENT DEPARTMENT

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James C. Kenney
Cabinet Secretary

Jennifer J. Pruett
Deputy Secretary

Certified Mail - Return Receipt Requested

August 5, 2019

Mr. Mitch Knapton, General Manager/Chief Engineer
Peabody Natural Resources Company
El Segundo Mine
P.O. Box 757
Grants, New Mexico 87020

RE: Peabody Natural Resources Company, El Segundo Mine, Minor Non-Municipal Individual Permit; SIC 1221; NPDES Compliance Evaluation Inspection; NPDES NM0030996; July 16, 2019

Dear Mr. Knapton:

Enclosed please find a copy of the report and check list for the referenced inspection that the New Mexico Environment Department (NMED) conducted at your facility on behalf of the U.S. Environmental Protection Agency (USEPA). This inspection report will be sent to the USEPA in Dallas for their review. These inspections are used by USEPA to determine compliance with the National Pollutant Discharge Elimination System (NPDES) permitting program in accordance with requirements of the Federal Clean Water Act.

Introduction, treatment scheme, and problems noted during this inspection are discussed in the Further Explanations section of the inspection report.

You are encouraged to review the inspection report, required to correct any problems noted during the inspection, and to modify your operational and/or administrative procedures, as appropriate. Further, you are encouraged to notify in writing both the USEPA and NMED regarding modifications and compliance schedules at the addresses below:

David Long
US Environmental Protection Agency, Suite 1200
Enforcement Branch (6EN-WS)
1445 Ross Avenue
Dallas, Texas 75202-2733

Sarah Holcomb, Program Manager
New Mexico Environment Department
Surface Water Quality Bureau
Source Regulation Section
P.O. Box 5469
Santa Fe, New Mexico 87502

Peabody Natural Resources Company, El Segundo Mine
August 5, 2019

If you have any questions about this inspection report, please contact Daniel Valenta at (505) 827- 2575 or at Daniel.Valenta@state.nm.us.

Sincerely,

/s/Sarah Holcomb

Sarah Holcomb
Surface Water Quality Bureau

Cc. Carol Peters-Wagnon, USEPA (6EN-WM) by e-mail
David Long, USEPA (6EN-WM) by e-mail
Amy Andrews, USEPA (6EN-WM) by e-mail
David Esparza, USEPA (6EN-WM) by e-mail
Darlene Whitten-Hill, USEPA (6EN-WC) by e-mail
John Rhoderick, NMED District I by e-mail
Nancy Williams, USEPA (6EN-WC) by e-mail
Chad Gaines, Peabody Natural Resources by e-mail



Form Approved
OMB No. 2040-0003
Approval Expires 7-31-85

NPDES Compliance Inspection Report

Section A: National Data System Coding

Transaction Code			NPDES										yr/mo/day					Inspec. Type		Inspector		Fac Type										
1	N	2	5	3	N	M	0	0	3	0	9	9	6	11	12	1	9	0	7	1	6	17	18	C	19	S	20	2				
Remarks																																
S U R F A C E C O A L M I N E																																
Inspection Work Days						Facility Evaluation Rating						BI		QA		-----Reserved-----																
67						70						71		72		73		74		75		80										

Section B: Facility Data

Name and Location of Facility Inspected (For industrial users discharging to POTW, also include POTW name and NPDES permit number)		Entry Time /Date 1145 hours / July 16, 2019		Permit Effective Date January 18, 2016	
El Segundo Mine, Peabody Natural Resources Company, north of Milan, New Mexico. From I-40, take Exit 79 in Milan, travel north, at stop sign turn left onto Old Hwy 66, turn right onto NM 605, cross railroad tracks, travel 14 miles, at NM 509 travel north to mile maker 22, El Segundo Mine Gate is on left. McKinley County		Exit Time/Date 1340 hours / July 16, 2019		Permit Expiration Date October 31, 2019	
Name(s) of On-Site Representative(s)/Title(s)/Phone and Fax Number(s)				Other Facility Data	
-Chad Gains, Environmental Specialist, Peabody Natural Resources Company / 505-285-2076 -Myron Newman, Technician II/505-285-3062 -Seth Pulse, Engineering Manager, 505-285-3002				Latitude 35.639193°, Longitude -107.838095°	
Name, Address of Responsible Official/Title/Phone and Fax Number				SIC 1221 (Sub-Bituminous Coal Mine)	
Mitch Knapton, General Manager/Chief Engineer, Peabody Natural Resources Company, P.O. Box 757, Grants, New Mexico 87020, General Number 505-285-4651				Contacted Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

Section C: Areas Evaluated During Inspection

(S = Satisfactory, M = Marginal, U = Unsatisfactory, N = Not Evaluated)

S	Permit	N	Flow Measurement	S	Operations & Maintenance	N	CSO/SSO
S	Records/Reports	N	Self-Monitoring Program	N	Sludge Handling/Disposal	N	Pollution Prevention
S	Facility Site Review	N	Compliance Schedules	N	Pretreatment	N	Multimedia
N	Effluent/Receiving Waters	N	Laboratory	N	Storm Water	N	Other:

Section D: Summary of Findings/Comments (Attach additional sheets if necessary)

- See attached report and further explanations.

Name(s) and Signature(s) of Inspector(s) Daniel Valenta /s/Daniel Valenta		Agency/Office/Telephone/Fax NMED/SWQB/505-827-2575		Date 8/2/2019	
Signature of Management QA Reviewer Jennifer Foote /s/Jennifer Foote		Agency/Office/Phone and Fax Numbers NMED/SWQB/505-827-0596		Date 8/2/2019	

NPDES CEI – El Segundo Mine – July 16, 2019		PERMIT NO. NM0030996
SECTION A - PERMIT VERIFICATION		
PERMIT SATISFACTORILY ADDRESSES OBSERVATIONS. DETAILS:		<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>No</u>)
1. CORRECT NAME AND MAILING ADDRESS OF PERMITTEE.		<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA
2. NOTIFICATION GIVEN TO EPA/STATE OF NEW DIFFERENT OR INCREASED DISCHARGES. No reported discharge.		<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
3. NUMBER AND LOCATION OF DISCHARGE POINTS AS DESCRIBED IN PERMIT.		<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA
4. ALL DISCHARGES ARE PERMITTED.		<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA
SECTION B - RECORDKEEPING AND REPORTING EVALUATION		
RECORDS AND REPORTS MAINTAINED AS REQUIRED BY PERMIT. DETAILS:		<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>No</u>)
1. ANALYTICAL RESULTS CONSISTENT WITH DATA REPORTED ON DMRs. No reported discharges /no analytical results		<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
2. SAMPLING AND ANALYSES DATA ADEQUATE AND INCLUDE. No sampling and analysis data		<input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA
a) DATES, TIME(S) AND LOCATION(S) OF SAMPLING.		<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
b) NAME OF INDIVIDUAL PERFORMING SAMPLING		<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
c) ANALYTICAL METHODS AND TECHNIQUES.		<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
d) RESULTS OF ANALYSES AND CALIBRATIONS.		<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
e) DATES AND TIMES OF ANALYSES.		<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
f) NAME OF PERSON(S) PERFORMING ANALYSES.		<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
3. LABORATORY EQUIPMENT CALIBRATION AND MAINTENANCE RECORDS ADEQUATE.		<input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA
4. PLANT RECORDS INCLUDE SCHEDULES, DATES OF EQUIPMENT MAINTENANCE AND REPAIR.		<input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA
5. EFFLUENT LOADINGS CALCULATED USING DAILY EFFLUENT FLOW AND DAILY ANALYTICAL DATA.		<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
SECTION C - OPERATIONS AND MAINTENANCE		
TREATMENT FACILITY PROPERLY OPERATED AND MAINTAINED. DETAILS: At the facility is a domestic wastewater mechanical plant w/aeration and chlorination discharges to lined lagoon		<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>No</u>)
1. TREATMENT UNITS PROPERLY OPERATED.		<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA
2. TREATMENT UNITS PROPERLY MAINTAINED.		<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA
3. STANDBY POWER OR OTHER EQUIVALENT PROVIDED. Gravity flow through the plant.		<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA
4. ADEQUATE ALARM SYSTEM FOR POWER OR EQUIPMENT FAILURES AVAILABLE. Red light comes on if power failure.		<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA
5. ALL NEEDED TREATMENT UNITS IN SERVICE.		<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA
6. ADEQUATE NUMBER OF QUALIFIED OPERATORS PROVIDED.		<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA
7. SPARE PARTS AND SUPPLIES INVENTORY MAINTAINED.		<input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA
8. OPERATION AND MAINTENANCE MANUAL AVAILABLE.		<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA
STANDARD OPERATING PROCEDURES AND SCHEDULES ESTABLISHED.		<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA
PROCEDURES FOR EMERGENCY TREATMENT CONTROL ESTABLISHED.		<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA

NPDES CEI – El Segundo Mine – July 16, 2019	PERMIT NO. NM0030996
SECTION C - OPERATIONS AND MAINTENANCE (CONT'D)	
9. HAVE BYPASSES/OVERFLOWS OCCURRED AT THE PLANT OR IN THE COLLECTION SYSTEM IN THE LAST YEAR?	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> NA
IF SO, HAS THE REGULATORY AGENCY BEEN NOTIFIED?	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
HAS CORRECTIVE ACTION BEEN TAKEN TO PREVENT ADDITIONAL BYPASSES/OVERFLOWS?	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
10. HAVE ANY HYDRAULIC OVERLOADS OCCURRED AT THE TREATMENT PLANT?	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> NA
IF SO, DID PERMIT VIOLATIONS OCCUR AS A RESULT?	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
SECTION D - SELF-MONITORING	
PERMITTEE SELF-MONITORING MEETS PERMIT REQUIREMENTS. <input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>No</u>). DETAILS: No reported discharge since 2009.	
1. SAMPLES TAKEN AT SITE(S) SPECIFIED IN PERMIT.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
2. LOCATIONS ADEQUATE FOR REPRESENTATIVE SAMPLES.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
3. FLOW PROPORTIONED SAMPLES OBTAINED WHEN REQUIRED BY PERMIT.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
4. SAMPLING AND ANALYSES COMPLETED ON PARAMETERS SPECIFIED IN PERMIT.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
5. SAMPLING AND ANALYSES PERFORMED AT FREQUENCY SPECIFIED IN PERMIT.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
6. SAMPLE COLLECTION PROCEDURES ADEQUATE.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
a) SAMPLES REFRIGERATED DURING COMPOSITING.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
b) PROPER PRESERVATION TECHNIQUES USED.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
c) CONTAINERS AND SAMPLE HOLDING TIMES CONFORM TO 40 CFR 136.3.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
7. IF MONITORING AND ANALYSES ARE PERFORMED MORE OFTEN THAN REQUIRED BY PERMIT, ARE THE RESULTS REPORTED IN PERMITTEE'S SELF-MONITORING REPORT?	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
SECTION E - FLOW MEASUREMENT	
PERMITTEE FLOW MEASUREMENT MEETS PERMIT REQUIREMENTS. <input checked="" type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>No</u>) DETAILS: Part I.A of the permit requires estimate only.	
1. PRIMARY FLOW MEASUREMENT DEVICE PROPERLY INSTALLED AND MAINTAINED. TYPE OF DEVICE	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
2. FLOW MEASURED AT EACH OUTFALL AS REQUIRED.	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA
3. SECONDARY INSTRUMENTS (TOTALIZERS, RECORDERS, ETC.) PROPERLY OPERATED AND MAINTAINED.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
4. CALIBRATION FREQUENCY ADEQUATE.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
RECORDS MAINTAINED OF CALIBRATION PROCEDURES.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
CALIBRATION CHECKS DONE TO ASSURE CONTINUED COMPLIANCE.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
5. FLOW ENTERING DEVICE WELL DISTRIBUTED ACROSS THE CHANNEL AND FREE OF TURBULENCE.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
6. HEAD MEASURED AT PROPER LOCATION.	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA
7. FLOW MEASUREMENT EQUIPMENT ADEQUATE TO HANDLE EXPECTED RANGE OF FLOW RATES.	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA
SECTION F – LABORATORY	
PERMITTEE LABORATORY PROCEDURES MEET PERMIT REQUIREMENTS. <input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>No</u>) DETAILS: No reported discharge/ no sample collected/no analysis needed.	
1. EPA APPROVED ANALYTICAL PROCEDURES USED (40 CFR 136.3 FOR LIQUIDS, 503.8(b) FOR SLUDGES).	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA

NPDES CEI – El Segundo Mine – July 16, 2019						PERMIT NO. NM0030996	
SECTION F - LABORATORY (CONT'D)							
2. IF ALTERNATIVE ANALYTICAL PROCEDURES ARE USED, PROPER APPROVAL HAS BEEN OBTAINED.						<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	
3. SATISFACTORY CALIBRATION AND MAINTENANCE OF INSTRUMENTS AND EQUIPMENT.						<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	
4. QUALITY CONTROL PROCEDURES ADEQUATE.						<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	
5. DUPLICATE SAMPLES ARE ANALYZED. ____ % OF THE TIME.						<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	
6. SPIKED SAMPLES ARE ANALYZED. ____ % OF THE TIME.						<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	
7. COMMERCIAL LABORATORY USED.						<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	
LAB NAME LAB ADDRESS PARAMETERS PERFORMED							
SECTION G - EFFLUENT/RECEIVING WATERS OBSERVATIONS. <input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>No</u>).							
OUTFALL NO.	OIL SHEEN	GREASE	TURBIDITY	VISIBLE FOAM	FLOAT SOL.	COLOR	OTHER
Various	No Discharge	No Discharge	No Discharge	No Discharge	No Discharge	No Discharge	No Discharge
RECEIVING WATER OBSERVATIONS <u>No flow / No discharge observed</u>							
SECTION H - SLUDGE DISPOSAL							
SLUDGE DISPOSAL MEETS PERMIT REQUIREMENTS.				<input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA (FURTHER EXPLANATION ATTACHED <u>No</u>).			
DETAILS: Treated domestic wastewater flows to lagoon.							
1. SLUDGE MANAGEMENT ADEQUATE TO MAINTAIN EFFLUENT QUALITY. No discharge/no effluent reported						<input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA	
2. SLUDGE RECORDS MAINTAINED AS REQUIRED BY 40 CFR 503.						<input type="checkbox"/> S <input type="checkbox"/> M <input type="checkbox"/> U <input checked="" type="checkbox"/> NA	
3. FOR LAND APPLIED SLUDGE, TYPE OF LAND APPLIED TO: _____ (e.g., FOREST, AGRICULTURAL, PUBLIC CONTACT SITE)							
SECTION I - SAMPLING INSPECTION PROCEDURES (FURTHER EXPLANATION ATTACHED <u>No</u>).							
1. SAMPLES OBTAINED THIS INSPECTION.						<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	
2. TYPE OF SAMPLE OBTAINED							
GRAB _____		COMPOSITE SAMPLE ____		METHOD _____		FREQUENCY _____	
3. SAMPLES PRESERVED.						<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	
4. FLOW PROPORTIONED SAMPLES OBTAINED.						<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	
5. SAMPLE OBTAINED FROM FACILITY'S SAMPLING DEVICE.						<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	
6. SAMPLE REPRESENTATIVE OF VOLUME AND MATURE OF DISCHARGE.						<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	
7. SAMPLE SPLIT WITH PERMITTEE.						<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	
8. CHAIN-OF-CUSTODY PROCEDURES EMPLOYED.						<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	
9. SAMPLES COLLECTED IN ACCORDANCE WITH PERMIT.						<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	

**EL Segundo Mine
Peabody Natural Resources Company
Compliance Evaluation Inspection
NPDES Permit No. NM0030996
July 16, 2019**

Further Explanations

Introduction

On July 16, 2019, a Compliance Evaluation Inspection (CEI) was conducted by Daniel Valenta accompanied by Sandra Gabaldon, both of the State of New Mexico Environment Department (NMED), Surface Water Quality Bureau (SWQB) of the Peabody Natural Resources Company, El Segundo Mine, operated by Peabody Energy Western Coal Company, located north of Milan, New Mexico in McKinley County.

The facility is classified as a minor industrial discharger under the federal Clean Water Act, Section 402, of the National Pollutant Discharge Elimination System (NPDES) permit program. It is assigned NPDES permit number NM0030996 which regulates discharge from several outfalls to unclassified Kim-me-ni-oli Valley Tributary in Segment No. 20.6.4.97 *State of New Mexico Standards for Interstate and Intrastate Surface Waters, 20.6.4 New Mexico Administrative Code (NMAC)*, thence to Chaco River, a tributary of San Juan River of the San Juan River Basin. East of NM 502 and the Continental Divide, discharges are to unclassified Inditos Draw in Segment 20.6.4.97 NMAC, thence to Voght Draw, thence to Arroyo Chico, thence to Rio Puerco (East), thence to the Rio Grande.

The NMED performs a certain number of CEIs each year for the U.S. Environmental Protection Agency (USEPA), Region VI. The purpose of this inspection is to provide the USEPA with information to evaluate the Permittee's compliance with the NPDES permit. This inspection report is based on information provided by the Permittee's representatives, observations made by the NMED inspectors, and records and reports kept by the Permittee and/or NMED. Additional information was obtained from <http://www.peabodyenergy.com>.

Upon arrival at the Lee Ranch Mine at approximately 1145 hours on the day of this inspection, the inspector made introductions, presented credentials and explained the purpose of the inspection to Mr. Chad Gaines, Engineering Specialist. The inspectors toured portions of the facility with Mr. Myron Newman and Mr. Seth Pulse. The inspectors left the El Segundo mine at approximately 1340 hours.

The NMED performs a certain number of CEIs each year for the U.S. Environmental Protection Agency (USEPA), Region VI. The purpose of this inspection is to provide the USEPA with information to evaluate the Permittee's compliance with the NPDES permit. This inspection report is based on information provided by the Permittee's representatives, observations made by the NMED inspectors, and records and reports kept by the Permittee and/or NMED.

Facility Description/Treatment Scheme

El Segundo Mine, located in Northwest New Mexico adjacent to Lee Ranch Mine, opened in 2008. El Segundo is one of the most productive mines in the Southwest because of its low overburden ratio.

**EL Segundo Mine
Peabody Natural Resources Company
Compliance Evaluation Inspection
NPDES Permit No. NM0030996
July 16, 2019**

El Segundo shipped 8.1 million tons of coal in 2015, employing about 320 people, as reported in the Albuquerque Journal. El Segundo is a surface mine which uses dozers, shovels, and trucks to uncover between two and five coal seams ranging from 1.5- to 16-feet thick. The mined coal is trucked to an onsite loading facility and transported to customers via the Burlington Northern Santa Fe Railway.

Finding:

Per Permittee on-site representative there have been no discharges from the site or from impoundments. Site Inspection found no indications discharges have occurred. All required Discharge Monitoring Reports have been submitted via the Net DMR system. The current permit expires October 31, 2019. A new permit application was submitted on July 23, 2019.

NMED/SWQB
Google Earth Overview

	Date: 7/16/2019	
City/County: 35 miles north of Milan, in Grants, McKinley County		
Location: Peabody Natural Resources Company, El Segundo Mine		



NMED/SWQB
Official Photograph Log

Photo # 1

Photographer: Daniel Valenta	Date: 7/16/2019	Time: 1306
City/County: 35 miles north of Milan, in Grants, McKinley County		
Location: Peabody Natural Resources Company, El Segundo Mine		
Subject: Shovel removes overburden from coal seam.		



NMED/SWQB
Official Photograph Log

Photo # 2

Photographer: Daniel Valenta	Date: 7/16/2019	Time: 1246
City/County: 35 miles north of Milan, in Grants, McKinley County		
Location: Peabody Natural Resources Company, El Segundo Mine		
Subject: Internal containment pond to capture rain events. Coal loading area in background.		



NMED/SWQB
Official Photograph Log

Photo # 3

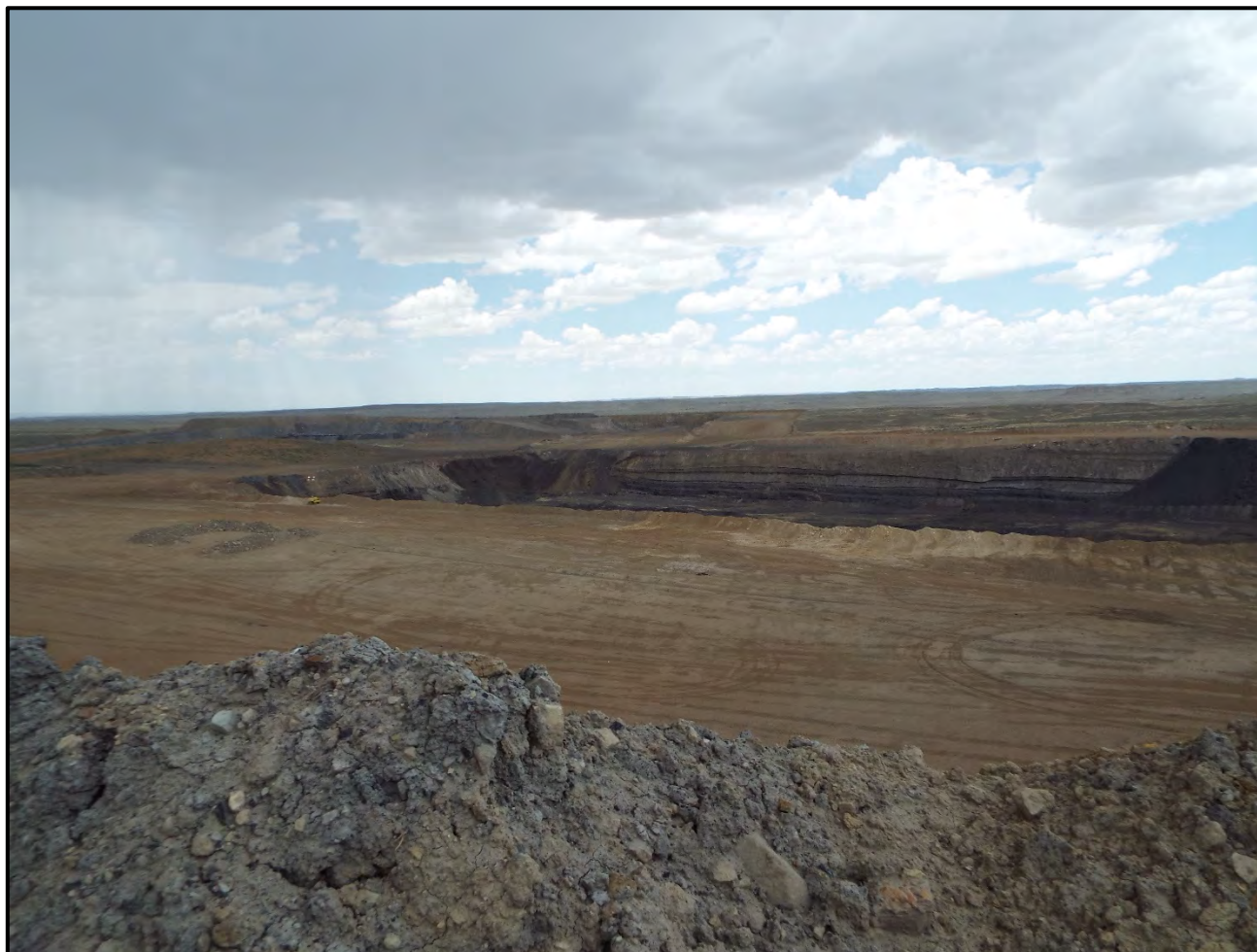
Photographer: Daniel Valenta	Date: 7/16/2019	Time: 1259
City/County: 35 miles north of Milan, in Grants, McKinley County		
Location: Peabody Natural Resources Company, El Segundo Mine		
Subject: Internal containment pond to capture rain events.		



NMED/SWQB
Official Photograph Log

Photo # 4

Photographer: Daniel Valenta	Date: 7/16/2019	Time: 1306
City/County: 35 miles north of Milan, in Grants, McKinley County		
Location: Peabody Natural Resources Company, El Segundo Mine		
Subject: Front edge of mining activity. Overburden is being removed and coal seam mined with removed material then returned.		



NMED/SWQB
Official Photograph Log

Photo # 5

Photographer: Daniel Valenta	Date: 7/16/2019	Time: 1329
City/County: 35 miles north of Milan, in Grants, McKinley County		
Location: Peabody Natural Resources Company, El Segundo Mine		
Subject: Sewage lagoon outfall 18. Lined lagoon captures treated wastewater discharge from facility.		

